



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

JUN 17 2015

Ref: 8ENF-UFO

CERTIFIED MAIL 7009-3410-0000-2600-8893
RETURN RECEIPT REQUESTED

April Wilkerson
Regulatory and Environmental Analyst
Finley Resources, Inc.
1308 Lake Street
Fort Worth, Texas 76102

Re: Underground Injection Control (UIC)
Notice of Violation:
Loss of Mechanical Integrity
Duck Creek 2-15 Well
EPA Permit ID# UT20731-03797
API # 43-047-30555
Duck Creek Oil Field
Uintah County, Utah

Dear Ms. Wilkerson:

During a routine field inspection on May 20, 2015, the Environmental Protection Agency (EPA) observed 800 psi on the annulus of the Finley Resources, Inc. injection well referenced above, indicating a loss of mechanical integrity. Pursuant to the above-referenced UIC Permit and Title 40 of the Code of Federal Regulations Section 144.51(q)(1) (40 C.F.R. § 144.51(q)(1)), you must establish and maintain mechanical integrity. A loss of mechanical integrity is a violation of this requirement.

Pursuant to the above-referenced UIC Permit and the regulations at 40 C.F.R. § 144.51(q)(2), you must immediately cease injection into this well. Before injection may resume, you must demonstrate that the well has mechanical integrity by passing a mechanical integrity test (MIT). You must also receive written authorization from the EPA.

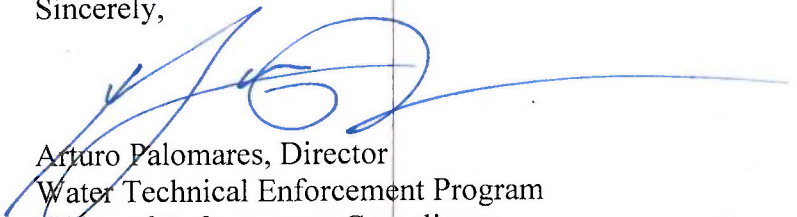
Within thirty (30) days of receipt of this letter, please submit a letter describing what action you intend to take regarding the well, including a time frame in which you anticipate the work to be completed. It is expected that you will return this well to compliance within ninety (90) days of the loss of mechanical integrity.

If you choose to plug and abandon this well, the approved plugging and abandonment plan that is incorporated into the permit must be followed. Any deviation from that plan must be submitted to the EPA for approval prior to the plugging operation.

Failure to comply with the UIC regulations found at 40 C.F.R. Parts 144 through 148 constitutes one or more violations of the Safe Drinking Water Act, 42 U.S.C. § 300h. Such non-compliance may subject you to formal enforcement by the EPA, as codified at 40 C.F.R. Part 22.

If you have any questions concerning this letter, you may contact Gary Wang at (303) 312-6469. Please direct all correspondence to the attention of Gary Wang at Mail Code 8ENF-UFO.

Sincerely,



Arturo Palomares, Director
Water Technical Enforcement Program
Office of Enforcement, Compliance
and Environmental Justice

cc: Shaun Chapoose, Chairman, Uintah & Ouray Business Committee
Edred Secakuku, Vice-Chairman, Uintah & Ouray Business Committee
Reannin Tapoof, Executive Assistant, Uintah & Ouray Business Committee